



Legislative Post Audit Compliance Audit Report Highlights

Statewide Single Audit
State of Kansas
Fiscal Year 2018

March 13, 2019 • R-19-005

Audit Objectives: *The federal Single Audit has three major objectives: (1) evaluate state agencies' compliance with federal laws, regulations, contracts and other requirements; (2) evaluate agencies' internal controls over compliance; and (3) identify any questioned costs associated with non-compliance.*

Background Information

The federal government requires organizations that receive a significant amount of federal funding to undergo a 'single audit' in accordance with the Uniform Grant Guidance. This new guidance replaces OMB Circular A-133 which previously governed the Single Audit.

The Single Audit combines the audit of the state's financial statements with an organization-wide audit of compliance with federal regulations and award agreements. The Single Audit is presented in two parts. The first part was the audit of the state's basic financial statements for fiscal year 2018 (R-18-023 released in December 2018). This second part is the report on state agencies' compliance with federal award requirements.

CliftonLarsonAllen, a CPA firm under contract with the Legislative Division of Post Audit conducted the Single Audit.

- The auditors reported that the state was in material compliance with the applicable requirements for all federal programs audited.
- The auditors reported a total of 13 problem findings related to the federal awards including 7 material weaknesses (the most significant type of problem finding). The material weaknesses were as follows:
 - **The Kansas Department of Wildlife Parks and Tourism** – 1 material weakness related to evidence lacking that internal controls were followed for all cash disbursements reviewed
 - **Kansas Department for Children and Families**– 2 material weaknesses related to more than half the contracts reviewed in 2 separate programs not containing evidence that DCF considered suspension and debarment requirements
 - **Kansas Department of Health and Environment** – 4 material weaknesses related to Medicaid participants not having timely application or review processing; contracts not containing evidence that KDHE considered suspension and debarment requirements; contracts not having documentation to show procurement requirements being followed; and adult care homes not having timely inspections.

SUMMARY OF RECOMMENDATIONS

- The auditors made recommendations in each area.

AGENCY RESPONSE

- Each agency responded to its respective findings with a corrective action plan.

HOW DO I REQUEST AN AUDIT?

By law, individual legislators, legislative committees, or the Governor may request an audit, but any audit work conducted by the division must be directed by the Legislative Post Audit Committee. Any legislator who would like to request an audit should contact the division directly at (785) 296-3792.

Legislative Division of Post Audit

800 SW Jackson Street
Suite 1200
Topeka, Kansas 66612
Telephone (785) 296-3792
Website: <http://www.kslpa.org/>

For more information on this audit
report, please contact:

Chris Clarke
Chris.Clarke@lpa.ks.gov